GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1578
ANSWERED ON:28.11.2002
TARGETS FOR RURAL ELECTRIFICATION
PRABHUNATH SINGH

Will the Minister of POWER be pleased to state:

(a) whether funds for rural electrification are being made available to State Electricity Boards/implementing agencies through schemes under various Ministries;

(b) if so, whether the targets set for rural electrification have been achieved during the last three years;

(c) if not, the reasons therefor and the steps taken to overcome the hurdles in achieving the targets; and

(d) the details of the targets fixed as well as achieved for rural electrification during the Eighth & Ninth Plan, Plan-wise and target fixed for Tenth Plan?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) : Rural Electrification Schemes are formulated and implemented by the State Governments/State Electricity Boards/State Power Utilities out of the State Plan allocation depending upon their priorities. However, there are other options available for seeking financial assistance for implementing rural electrification schemes. The Government of India provides Additional Central Assistance under Pradhan Mantri Gramodaya Yojana (PMGY), Minimum Needs Programme (MNP) and Non-Lapsable Central Pool of Resources for electrification of tribal villages in North Eastern States. Funds are released by the Ministry of Finance on the recommendations of the Planning Commission and Ministry of Power under PMGY and MNP respectively. Funds are also released by the Ministry of Finance on the recommendation of Department of Development of North Eastern Region for North Eastern States. In addition, Rural Electrification Corporation (REC) also provides financial assistance to State Electricity Boards to supplement their resources. Besides, State Governments and State Electricity Boards (SEBs) can access funds for rural electrification under Rural Infrastructure Development Fund (RIDF) & NABARD under Ministry of Finance. Ministry of Non-Conventional Energy Sources also provides financial assistance to the States for electrification of remote villages.

(b) & (c): The Planning Commission had set a target of electrification of 30,000 villages and energisation of 20,00,000 pumpsets during the Ninth Plan. However, year- wise targets were not finalized. The achievement in respect of village electrification and pumpsets energisation during the last three years is given as under:

	1999-00	2000-01	2001-02
Village Electrification	2093	1218	1429
Pumpsets Energisation	297594	309236	315833

The pace of rural electrification has slowed down as the State Governments/State Electricity Boards consider the implementation of this programme un-remunerative. The declining financial position of the States/SEBs combined with the relative declining in share of the power sector outlay in the State plans have also contributed to the situation.

However, in order to accelerate the pace of village electrification, the Government had resolved to complete village electrification by the end of 10th Plan period i.e. by 2007 and full coverage of all households by the end of 11th Plan period i.e. by 2012. Rural electrification has been treated as a Basic Minimum Service and has been included under Pradhan Mantri Gramodaya Yojana (PMGY) from the year 2001-02. Under this programme, Ministry of Finance have released an amount of Rs. 412.236 crores to the States during 2001-02. Ministry of Finance have also released an amount of Rs. 175 crores during 2001-2002 under Minimum Needs Programme (MNP) for rural electrification.

The Planning Commission have made an allocation of Rs. 2747.00 crore for all the six components of PMGY including rural electrification, as Additional Central Assistance (ACA) for the year 2002-03. Under the revised guidelines of PMGY formulated by the Planning Commission, the States would have flexibility to decide the interse allocation of ACA among the six PMGY sectors as per

their own plan priorities and discretion. The Planning Commission have made a budget provision of Rs. 600 croreas ACA for rural electrification under Minimum

Needs Programme for 2002-03, out of which an amount of Rs. 300 crores has beenreleased as the first instalment (50%) under this programme in September, 2002. The Government have provided for a new interest subsidy scheme called the `Accelerated Rural Electrification Programme` in the budget for the year 2002-03 with a provision ofRs. 164 crores. In addition to this, Rural Electrification Corporation have formulated new schemes for electrification of dalit bastis and hamlets at lower rate of interest.

(d) : Plan-wise targets fixed by the Planning Commission for rural electrification during the Eighth and Ninth Plan are given below:

Eighth Plan (1992-96) @

	Target	Achievement
Village Electrification	50,000 @@	18,504
Pumpsets Energisation	2500000	2174234

@ Target for the year 1996-97 was not finalized by the Planning Commission
@@ (40,000 by Conventional Grid and 10,000 by Non- Conventional Grid)

Ninth Plan

	Target	Achievement
Village Electrification	30,000	10,727
Pumpsets Energisation	20,00,000	1573971

For the 10th Plan, a target of electrification of 62,000 villages to achieve 100% village electrification has been set.